



# Austin Energy's District Cooling Program

Austin Energy Utility Oversight Committee  
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On-Site Energy Resources





# District Cooling



- An underground network of pipes providing chilled water to meet the cooling needs of multiple buildings
- Gathering load generates superior energy savings, reliability and quality than stand-alone systems
- District Cooling Program has connected 68 customers
- Over 18.6 million square feet of facilities (i.e. 165 City Halls)

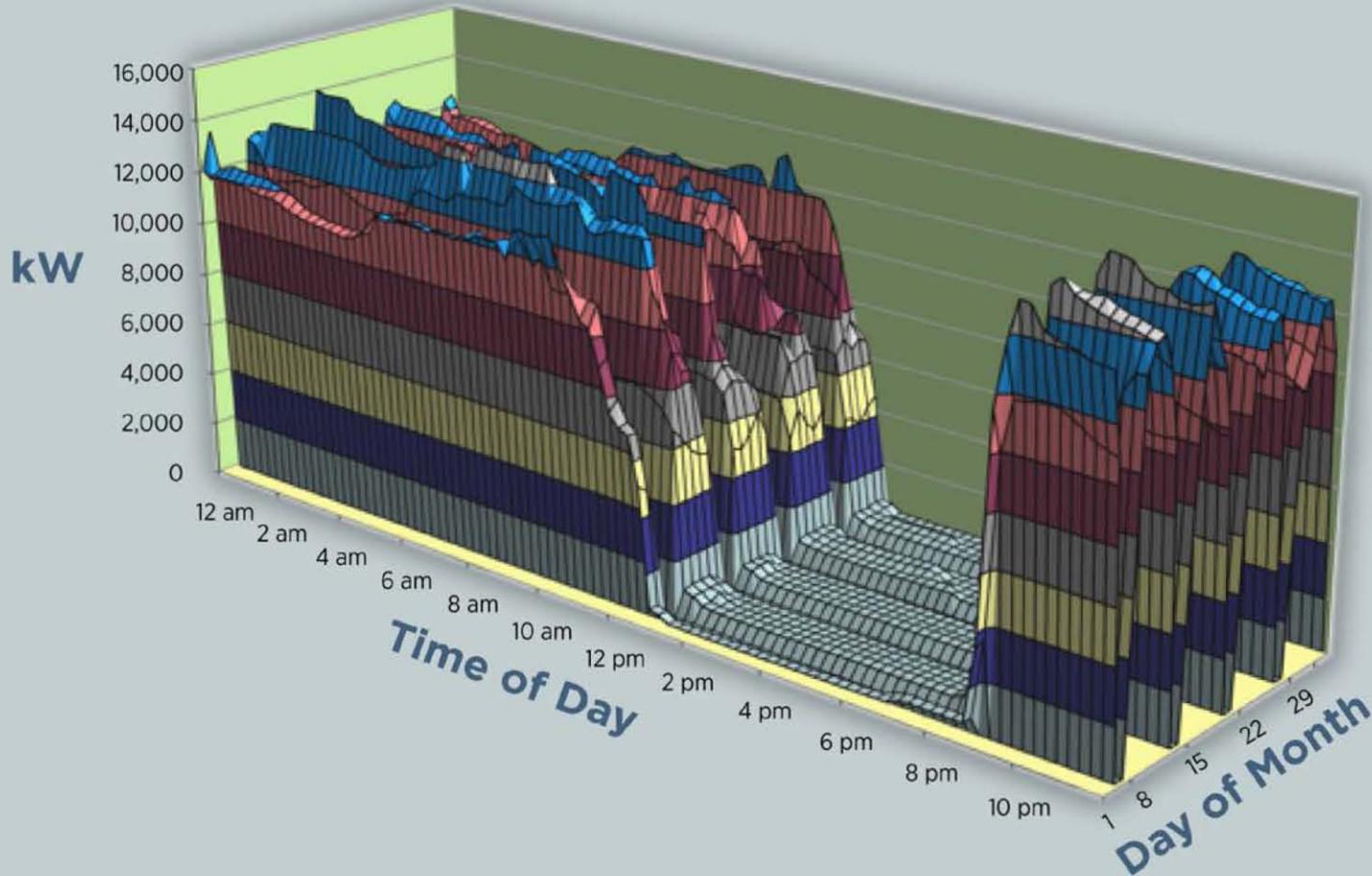


# Keeping Austin Cool





# Peak Demand Management





# Benefits

## **For District Cooling Customers:**

- Reduces capital costs and frees up building space
- Must make financial sense over a stand-alone system
- Extraordinary reliability by design
- User-friendly system means low risk to customers

## **For the Community and Austin Energy:**

- Supports compact and connected economic development
- Supports Austin Energy Resource, Generation and Climate Protection Plan to 2025
- Creates a long-term revenue stream
- Shifting peak electric demand means Electric Reliability Council of Texas (ERCOT) market and regulatory savings or avoided costs



# Financial Business Model

## Costs

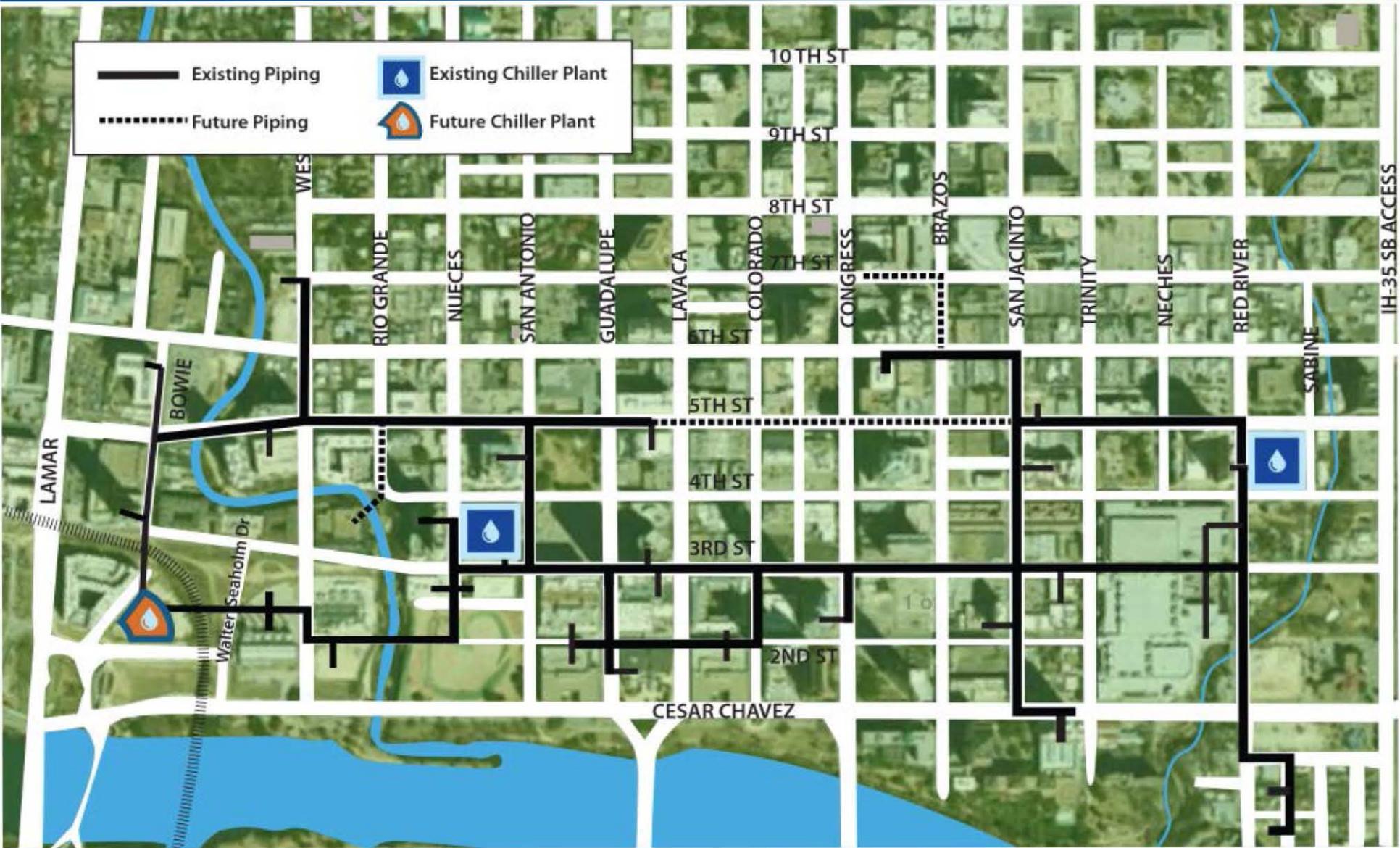
- Large initial capital investment
  - Plant
  - Piping transmission system
- Periodic additional capital investments
  - Distribution piping for customer connections
  - Heat exchangers and metering for customer's facility
  - Capacity increases at the plant

## Revenues

- Long-term recovery of costs through customer charges and fees
  - Chilled water cost of service (same for all)
  - Recovery of connection in 15 years (varies on project specifics)
- Positive return on investments

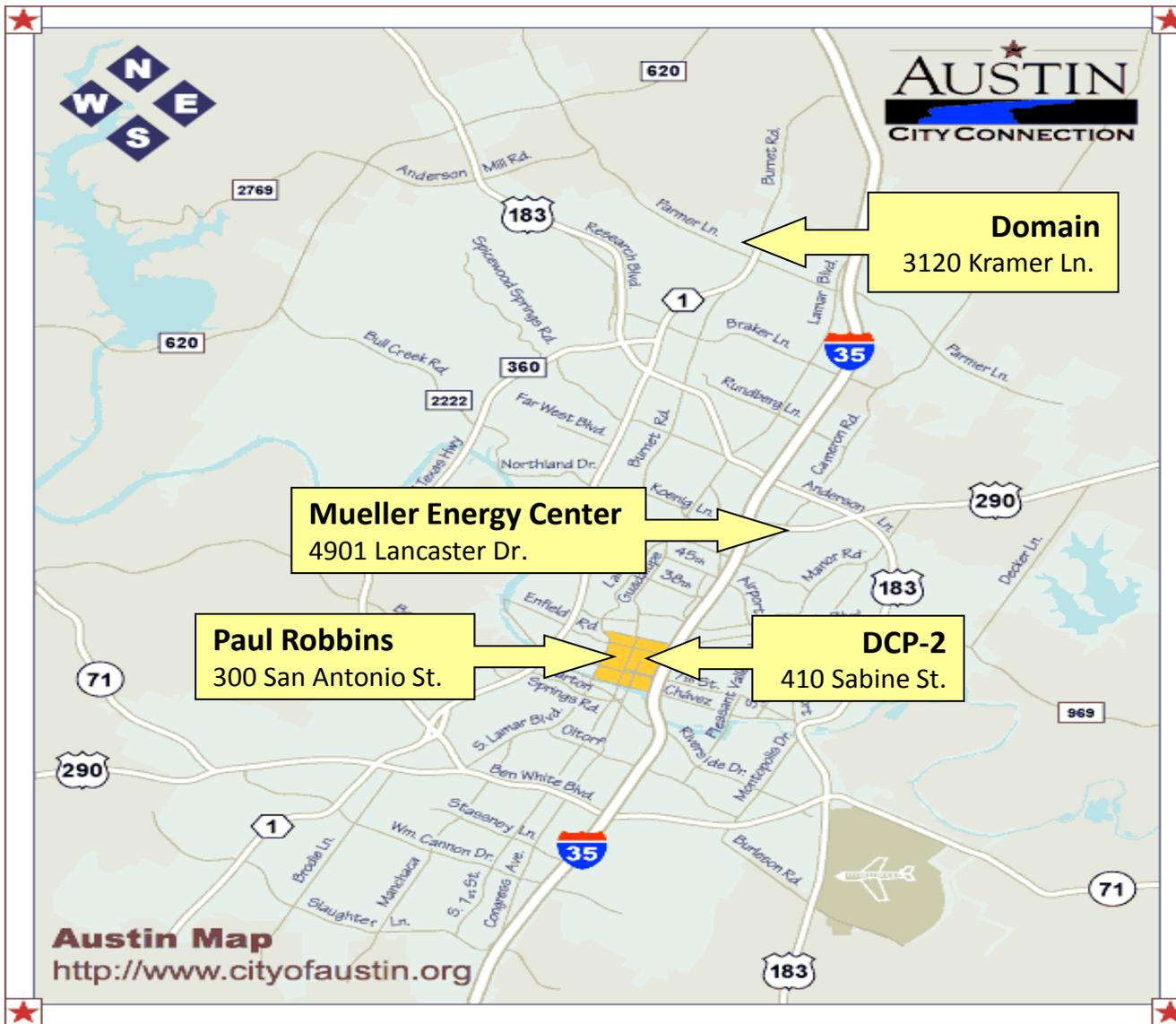


# Downtown District Cooling





# District Cooling Plant Locations





# District Cooling

## Program Recap

- 68 customers connected to District Cooling systems
- Sound financial model
- Providing 15MW of electric demand management toward 2025 goal of 20MW

## Potential Expansion

- Expansion within existing plants
- Additional plants
  - Mueller expansion
  - Downtown expansion on Crescent Property
  - New satellite locations in support of Imagine Austin Plan  
Austin Community College/Highland Mall, South Central Waterfront, Central Health, and Innovation District



Thank you,

Questions?

